

CONSOLIDATED QUARTERLY REPORT
2013 Q1

For the period 1.1.2013 – 31.3.2013

BGS Energy Plus a. s.



10.5.2013

Svetla nad Sazavou, Czech Republic

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1 Selected consolidated financial results for the period 1 January 2013 to 31 March 2013

	1.1.2013–31.3.2013		1.1.2012–31.3.2012	
	CZK 000	EUR 000	CZK 000	EUR 000
Income Statement				
Revenues (with revenues from sales of own property and other operation revenues)	100 460	3 915	85 806	3 443
Consumption	89 352	3 482	80 799	3 242
Operating profit	11 108	433	5 007	201
EBITDA	15 667	611	6 982	280
- Of which Depreciation	4 027	157	2 560	103
EBIT	11 640	454	4 422	177
Profit/loss before taxation (EBT)	7 564	295	3 336	134
Profit/loss after taxation	5 588	218	2 541	102
Balance sheet				
Fixed Assets	482 385	18 741	250 408	10 126
Current Assets, of which:	364 176	14 148	303 189	12 260
- Short-term receivables	227 788	8 850	201 866	8 163
- Current financial assets	63 757	2 477	28 447	1 150
Total Assets	847 680	32 932	555 280	22 454
Equity	149 499	5 808	137 024	5 541
Short-term liabilities	161 761	6 284	162 136	6 556
Long-term liabilities including bank loans	535 424	20 801	200 783	8 119

Note: Exchange rates provided by the Czech National Bank

2 The management board's comments on factors and events that affect the achieved financial results

The BGS Group consolidated turnover for the period 1.1.2013 – 31.3.2013 exceeded CZK 100mio, it is CZK 15mio higher compared to 1Q2012. This value was achieved, above all, thanks to the EPC (Engineering-Procurement-Construction) projects constructed by BGS Biogas a.s., which is consolidated according to the full method and our own increasing energy power production.

The Group consolidated EBITDA for 1Q2013 is more CZK 15mio, the result is more than double higher compare to 1Q2012.

3 General information about the Issuer

Company Name: BGS Energy Plus a.s.
Company Address: Zamecka 7, 582 91 Svetla nad Sazavou, Czech Republic
www: www.bgs-energy.cz
Ticker: BGS
ISIN: CZ0005121707
Authorized Advisor: Capital Solutions ProAlfa Sp. z o.o.

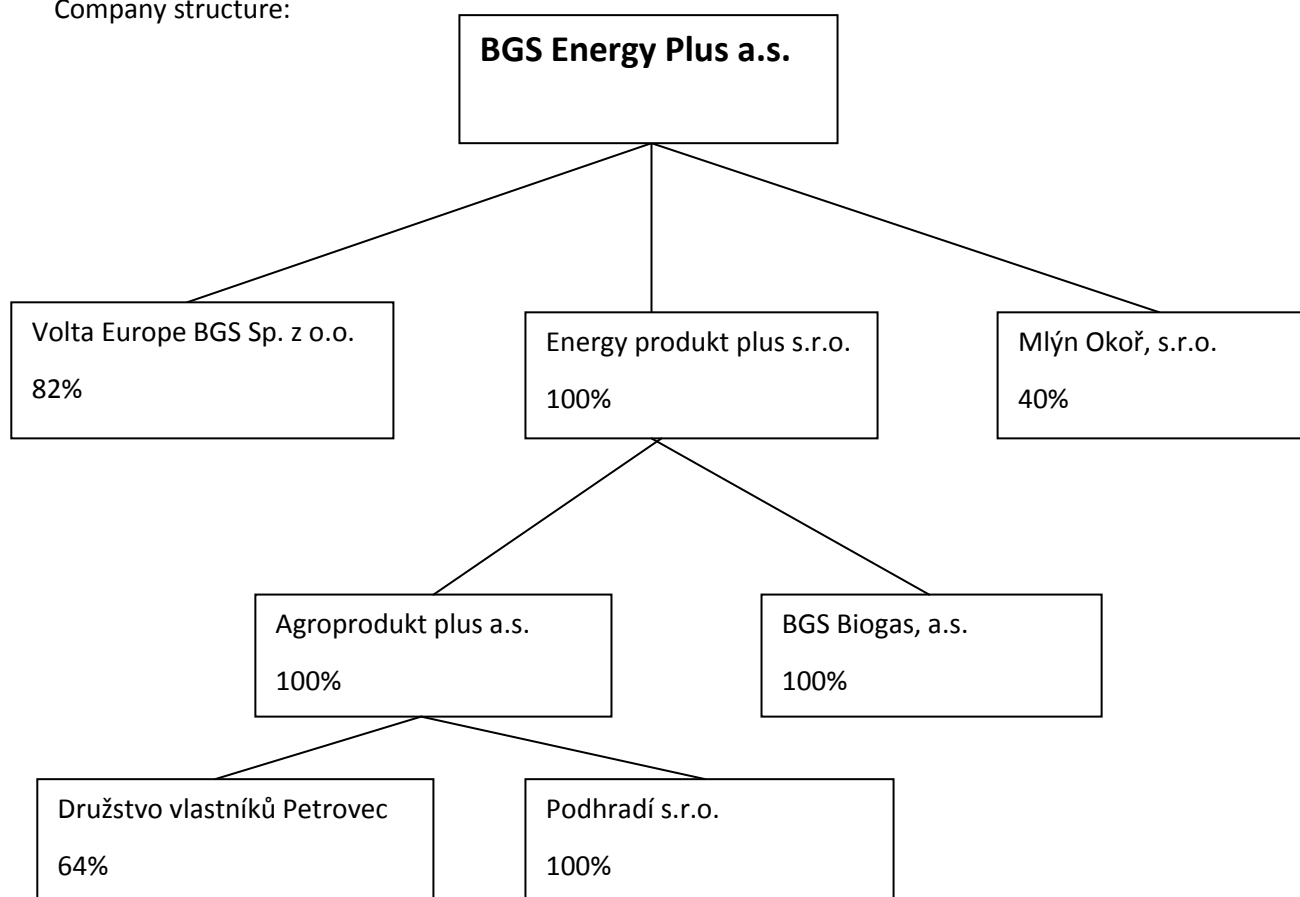
4 General information about the Group

The following table presents the Group's structure and the holding company's stake in the entities comprising the Group:

Entity name	Country of registration	% of share capital held by the holding company	Consolidation method
Energy produkt plus s.r.o.	Czech Rep.	100%	full consolidation
Agroprodukt plus a.s.	Czech Rep.	100%	full consolidation
BGS Biogas a.s.	Czech Rep.	100%	full consolidation
Družstvo vlastníků Petrovec	Czech Rep.	64%	equivalence method
Mlýn Okoř, s.r.o.	Czech Rep.	40%	equivalence method
Podhradí s.r.o.	Czech Rep.	100%	full consolidation

BGS Energy Plus a.s. is a group of companies involved in electricity and heat production from power plants powered by biogas. The group builds biogas plants for its own account as well as for clients on engineering, procurement and construction (EPC) basis. BGS Energy Plus a.s. is a holding company, responsible for the full cycle of energy production, from growing and management of agricultural substrates, through engineering and construction management, technology procurement as well as biogas plants ownership and management.

Company structure:



In the three-month period ended 31.3.2013, the Group did not discontinue any of its operations.

In the three-month period ended 31.3.2013, the Group did not make any changes to its structure, including mergers, acquisitions, sale of the Group's entities, long-term investments, divisions, restructuring or discontinuation of operations.

5 Share capital of the Issuer

SHARE CAPITAL AS AT 31 March 2013

Series/ issue	Type of shares	Type of preference	Limitation of right to shares	Number of shares
A	Bearer	No	Yes	11 459 000
B	Bearer	No	No	3 750 000
Total number of shares				15 209 000
Total share capital in CZK				15 209 000
Nominal value per share = CZK 1,00				

6 Shareholder structure

As of 31 March 2013 the Issuer's shareholder structure was as follows:

Shareholder	No. of shares	% of capital	No. Of votes at the Shareholders Meeting	% of votes at the Shareholders Meeting
Ales Radil	3 819 666	25,11451	3 819 666	25,11451
Radim Hruza	3 819 666	25,11451	3 819 666	25,11451
Zdenek Radil	3 819 666	25,11451	3 819 666	25,11451
Ales Radil, Radim Hruza, Zdenek Radil (as a common ownership)	2	0,00001	2	0,00001
Other investors	3 750 000	24,656	3 750 000	24,656
TOTAL	15 209 000	100.00%		100.00%

7 Statutory bodies of the issuer

Board of Directors

Position	Name	Date of Birth	Position held since
CEO	Ales Radil	2. 2. 1973	20. 5. 2009
Board member	Radim Hruza	1.10. 1977	20. 5. 2009
Board member	Ing. Jindra Radilova	26.5. 1971	20. 5. 2009

Supervisory Board

Position	Name	Date of Birth	Position held since
Chairman	JUDr. Ing. Zdeněk Radil	31. 1. 1975	20. 5. 2009
Board member	Ing. Jaromir Peklo, PhD, MBA	30. 8. 1973	18. 6. 2009
Board member	Ing. Stepan Dlouhy	23. 8. 1977	18. 6. 2009

In the period from January 2013 to 31 March 2013 there were no changes in board of directors and Supervisory Board.

8 Report on the Issuer's activities in 2012Q1

BGS Group has three main areas of activity: (A) Development and operation of own biogas plants, (B) Construction of biogas plants for third parties on EPC basis, (C) Accounting services for large corporates.

A. Development and operation of own biogas plants

BGS Suchdol nad Odrou

The Suchdol energy production is very stable. The biogas station output is 590kW.

BGS Zavidkovice

Construction work is already finished at Zavidkovice biogas station. The final production is 990 kW. The second phase consists of the installation of modern innovative technologies of bio-extrusion and a special drying chamber for output biogas sewage, which resulted in reduction of specific consumption of raw materials due to higher efficiency of processing of the plant input potential as well as in reduction of costs of sewage disposal.

BGS Číhošť

The Cihost biogas station with output 620 kW is now in trial period. The biogas plant technology is able to use various kinds of raw materials thus providing for a wider range of flexibility in raw material supply to the facility.

BGS Skůry

This biogas plant is owned by Mlýn Okoř, s.r.o., where we have 40% share. It now also in trial period, the biogas plant started is already working more than one year and the electricity production is very stable.

BPS Ovesná Lhota

We finished the biogas plant in the beginning of the year. The plant already produces electricity power and the production is increasing.

Agroprodukt

We have worked on agricultural machines preparation during winter months. The cold weather caused delay in our field works. We already finished wheat bedding and we are working hard in corn bedding.

B. Construction of biogas plants for third parties on EPC basis

We finished administrative affairs of the year 2012 projects. The paper work was also our major activity as for the actual projects is concerned. The weather was not very good for the real building. We work on five projects in our country and one in Poland now. We also participate in two tenders now.

C. Accounting activity

Energy product plus s.r.o. provides accounting and human resources services. The company revenues from the activity in 1Q2013 were ca. CZK 2,7 mio.

9 Detailed consolidated financial results for the period of 1 January 2013 to 31 March 2013

The tables below provide the **consolidated** and **unaudited** financial statements of BGS Energy Plus a.s. in accordance with **Czech Accounting Standards** for the period 1 January 2013 to 31 March 2013 and the corresponding period in 2012.

		1.1.2013–31.3.2013		1.1.2012–31.3.2012	
		CZK 000	EUR 000	CZK 000	EUR 000
I.	Revenues from sales of third party goods	0	0	0	0
A	Cost of goods sold on third party goods	0	0	0	0
+	Trading margin	0	0	0	0
II.	Turnover from products, services and materials	99 748	3 887	85 774	3 442
B	Cost of products, services and materials	79 056	3 081	72 896	2 925
	Gross margin	20 692	906	12 878	517
C	Personel costs	5 419	211	4 991	200
C. 1.	Labour costs	3 982	155	3 606	145
C. 2.	Board members compensations	0	0	0	0
C. 3.	Social security and health insurance costs	1 105	43	1 152	46
C. 4.	Social costs	332	13	233	9
D	Taxes and charges	74	3	64	3
E	Depreciation	4 027	157	2 560	103
III.	Revenues from sales of own property	67	3	0	0
F	Value of small property	0	0	0	0
VI.-VII.	Other operation revenues	645	25	32	1
I–J	Other operation costs	777	30	289	12
	Operating profit	11 108	433	5 007	201
XIV.	Financial revenues	1 943	76	848	34
Q	Financial costs	4 250	166	2 355	95
	Interests thereof	4 076	159	1 086	44
	Consolidated profit from financial operations	-3 380	-132	-1 507	-60
	Income tax for common activity	1 976	77	795	32
	Income tax for common activity due	1 976	77	795	32
R	Deferred tax for common activity	0	0	0	0
	Consolidated profit for common activity	5 752	224	2 705	109
XVI.	Extra incomes	0	0	0	0
S	Extra costs	0	0	0	0
XVII.	Passive consolidation difference clearance	35	1	35	1
	Active consolidation difference clearance	0	0	0	0
	Deferred income tax	0	0	0	0
	Extraordinary consolidated profit	35	1	35	35
	Consol. profit for acc. period without equivalent ratio	5 787	226	2 740	110
	Share in equivalency	-199	-8	-199	-8
	EBT	7 564	295	3 336	134
	EBIT	11 640	454	4 422	177
	EBITDA	15 667	611	6 982	280
	NET PROFIT/LOSS	5 588	218	2 541	102

Balance Sheet for the of 1 January 2013 to 31 March 2013 with comparative results

		1.1.2013 – 31.3.2013		1.1.2012 – 31.3.2012	
		CZK 000	EUR 000	CZK 000	EUR 000
	TOTAL ASSETS	847 680	32 932	555 280	22 454
A	Receivables - subscribed capital	0	0	0	0
B	Fixed assets	482 385	18 741	250 408	10 126
B I.	Long-term intangible asset	44	2	98	44
B II.	Long-term tangible asset	474 303	18 427	246 862	9 982
	1. Land	8 224	320	3 554	144
	2. Buildings	115 112	4 472	36 778	1 487
	3. Individual tangible assets (chattels)	100 212	3 893	29 125	1 582
	5.	6 885	267	4 463	180
	7. Uncompleted long-term property	241 817	9 395	160 486	6 490
	9. Difference in valuation of purchased property	2 053	80	2 456	99
B III.	Financial investment	10 473	407	5 883	238
B IV.	Consolidation differences positive/ negative	-2 105	-82	-2 105	-85
B V.	Shares from equity method	-330	-13	-330	-13
C	Current assets	364 176	14 148	303 189	12 260
C I.	Inventories	66 061	2 566	68 390	2 765
C II.	Long-term receivables	6 570	255	4 486	181
C III.	Short-term receivables	227 788	8 850	201 866	8 163
C IV.	Current liquid funds	63 757	2 477	28 447	1 150
	1. Cash and cash equivalents	6 258	243	6 441	260
	2. Bank accounts	55 659	2 162	22 006	890
	3. Purchased short-term investment	1 840	71	0	0
D	Accrual and deferral of assets	1 119	43	1 683	68
		1.1.2013 – 31.3.2013		1.1.2012 – 31.3.2012	
		CZK 000	EUR 000	CZK 000	EUR 000
	EQUITY AND LIABILITIES	847 680	32 932	555 280	22 454
A	Equity	149 499	5 808	137 024	5 541
A I.	Registered share capital	15 209	591	15 209	615
A II.	Reserved capital	36 750	1 428	36 750	1 486
A III.	Retained earning	37 683	1 464	37 683	1 524
A IV.	net profit of previous period	54 037	2 099	44 609	1 804
A V.	net profit without minorities	5 588	217	2 541	103
1.	Net profit of common period	5 787	225	2 740	111
2.	Share of profit in equivalency	-199	-8	-199	-8
A VI.	Passive consolidation difference	0	0	0	0
A VII.	Consolidation reserve fund	232	9	232	9
B	LIABILITIES	697 185	27 086	417 048	16 864
B I.	Reserves	0	0	0	0
B II.	Long-term liabilities excluding bank loans	6 972	271	5 247	212
B III.	Short-term liabilities	161 761	6 284	162 136	6 556
B IV.	Bank loans	528 452	20 530	249 665	10 096
	1. Long-term loans	408 035	15 852	185 135	7 486
	2. Short-term loans	22 260	865	10 401	421
	3. Short term borrowings	98 157	3 813	54 129	2 189
C	Accrual and deferral of liabilities	996	39	1 208	49
D	Minority equity	0	0	0	0
D I.	Minority capital stock	0	0	0	0

D II.	Minority capital funds	0	0	0	0
D III.	Minority profit funds incl. previous period	0	0	0	0
D IV.	Minority P/L of common period	0	0	0	0

10 The factors which will influence the results achieved by the Group - Description of threats and risks

Business operational risks

The company is a holding company, therefore risks identified here below pertain to the company as well as to the operating entities within the BGS group of companies. Any reference to the company is also understood as reference to any entity within the group, unless explicitly stated otherwise.

Legislative, regulatory and market risks:

The economic viability of energy production using BGS installations depends on Feed-in-Tariff (FiT) systems, which are in effect based on material cross-subsidies from all energy users in a given jurisdiction. The FiT system can be negatively affected by a number of factors including, but not limited to, a reduction or elimination in the FiT or green bonus per kWh produced, an elimination or reduction of the indexation of the FiT, a shortening of the period for which the FiT applies to BGS installations. At this time there are differing legal opinions in relation to the actual duration of the FiT for BGS installations in the Czech Republic as the duration explicitly specified by law is 15 years whereas the latest applicable regulatory notice by the Czech Energy Regulator specifies 20 years which is the period most importantly recognized by the financing banks.

Any future changes to the adopted regulations may have a material negative impact on the company business and its financial results.

Operational risks and harm to personnel and property:

There will always be risks involved in the operation and installation of BGS power stations, the installation of BG power stations for third parties as well as the production of input material for the BGS power plants. The build-up of these business areas is occurring simultaneously, thus posing high demands on management resources. The Issuer operates in a highly dynamic industry experiencing exponential growth, thereby posing very high demands on the companies resources and its ability to deliver on projected goals. The operating risks relating to the development of BGS projects and the installation and operation of BG power stations include among others unexpected failure or damage to the biogas technology and other technical equipment, theft or sabotage, or adverse weather conditions causing production interruptions and damage. The Issuer seeks to prevent loss or damages from such occurrences by concluding insurance contracts, planning regular extensive maintenance, contractual regulations and emergency routines. However, there will always be some exposure to technical and operational risks, with unforeseen problems leading to unexpectedly high lost revenues, operating costs, substantial losses, additional investments, etc., which may have a material negative effect on the Issuer's operating results and its financial position. Additionally, the occurrence of any of these risks could hurt the company reputation.

Technological risks:

The technology involved in the production of biogas is characterized by incremental developments. Currently the company does not own any patents for the technology used in relation to BGS technologies. However, the development of new technology may fundamentally change the economics of electricity production by biogas combustion and biogas production as such. For various reasons the company may not gain access to this new technology, which may put it at a significant disadvantage to its competitors. New

technology may therefore have material adverse effects on the company operating results, investment returns and financial condition.

Construction and performance risk:

A BG power station is based on several technical components, e.g. fermentors, raw material feeder, electro-installation, gas treatment system, cogeneration units, pipe-lines, control system, pumping devices, mixing device, wiring, converters, transformers and grid connection devices. There is always risk associated with the construction and installation of BGS power stations. Despite efforts made to reduce such risks, there can be no assurances that delays and cost overruns will not occur. Furthermore, the Issuer might be dependent upon the ability of sub-contractors to install particular BGS power station component that meet specifications, performance parameters, quality standards and delivery schedules of the Issuer. Delays, cost overruns or the underperformance of installed BG power stations could have a material adverse impact on the companies operating results, investment returns and financial position.

The biogas production draws on biomass fermentation process which is a time proven technology. However, the stability of the biogas production process respectively the stability of biogas power plant performance depends on stability of certain operating parameters, e.g. composition of the raw material mix, raw material quality, presence of undesirable substances, temperature and acidity in fermentors. Unstable performance of installed BGS power stations could have a material adverse impact on the company operating results, investment returns and financial position.

The company is required to maintain inventories, which at times may amount to several months of operations. Such inventories may deteriorate, inflame, or be destructed in any other way, which will have a material impact on the companies ability to continue operations.

Contractual risks:

The company business depends on contracts with multiple parties including, but not limited to, land owners, banks, investors, joint venture partners, raw material suppliers, contractors, energy utilities and electricity customers. Each contract normally involves a substantial value or consideration to the company. Furthermore, some of the contracts might be governed by foreign law, which may create both legal and practical difficulties in case of a dispute or conflict. The company currently operates in a jurisdiction and in future in other jurisdictions where the ability to protect contractual and other legal rights may be limited compared to jurisdictions with more well-established legal systems.

Certain important contracts, have not yet been concluded. This may be the case in relation to the projects already in operation as well as those under planning. Timing to conclude various agreements, may be limited by market conditions, willingness of the counterparty, or dictated by best judgement of the Issuer's management. As the company operates in a dynamic, competitive and new market environment, it is required to start operations and/or incur costs, without the possession of all written agreements. This may result in losses to the company, and impact its financial position, without the ability to seek recourse against its counterparty.

Contracts already concluded can be cancelled, by the Issuer or its counterparty. Even though the company will use its best efforts to fulfill all its obligations stipulated in such contracts, it may not avoid that some contracts are cancelled, which may have a material negative impact on its operations.

Competitive situation:

The development and operation of BGS power stations might become highly competitive in the future. The company competes with other companies with an equal or larger resource base for suitable location and land plots, grid connectivity, human resources, raw materials etc. There can be no assurance that the company will be able to respond to existing and new sources of competition. Competition may therefore have material adverse effects on the Issuer's operating results, investment returns and financial condition.

Uninsured losses:

The development and the operation of BGS power plants are subject to a number of risks and hazards, including adverse environmental conditions, theft, technical failure, changes in the regulatory environment and force majeure. Although the company maintains some insurance to protect against certain of these risks, the Issuer's insurance will not cover all the potential risks associated with the development and operation of BG installations. Unanticipated occurrences, insured or uninsured, could have a material adverse effect on the company operating results and financial condition.

Dependence on key personnel:

The company development and prospects are dependent upon the continued services and performance of its senior management and other key personnel. Due to the current strong development of the Czech economy in general and the dramatic increase in activities relating to the development of renewable energy installations in the country, the demand for people is high and the costs are increasing. There is always risk associated with wage levels for qualified personnel in such market environments. Financial difficulties or other factors could also adversely affect the company ability to retain key employees. The loss of the services of any key personnel may have negative effects on the company operating results and financial condition.

In addition, the company business is subject to continued expansion, and thus dependent upon further employment of personnel.

Environmental risk

The company operations are subject to numerous national and supra-national, environmental, health and safety laws, regulations, treaties and conventions (together, "Operational Regulations"), including, inter alia, those controlling the discharge of materials into the environment, requiring removal and cleanup of environmental contamination, establishing certification, licensing, health and safety, taxes, labour and training standards, operation of the BGS power stations or otherwise relating to the protection of human health and the environment. The amendment or modification of existing Operational Regulations or the adoption of new Operational Regulations curtailing or further regulating the operation of BG installations could have a material adverse effect on the company operating results and financial condition. The company cannot predict the extent to which future earnings or capital expenditures may be affected by compliance with such new Operational Regulations.

In addition, the company may be subject to significant fines, penalties or liability if it does not comply with any such existing or future Operational Regulation.

During the lifespan of a BGS power plant certain environmental changes, in particular poor crop and significant reduction of farming activity, can have a negative impact on performance and thus the financial performance and position of the company.

Financial risks

The company has invested significant efforts and financial resources into negotiating rental agreements, acquiring raw materials, building a professional team, and incurred legal and license fees. If there is a material adverse change in the general prospects for electricity production by biogas combusting, the value of the company tangible and intangible assets would be impaired and the company would be required to take a charge against its earnings. In general, the company future sales and investment returns are uncertain and depend on a variety of factors, many of which will be beyond the company control.

Political, economical and other uncertainties

Changes in the regulatory, legislative and fiscal framework (including tax rules) governing the production of electricity by combusting biogas could have a material impact on the Issuer's operations. In particular, changes in FiT regimes and capital subsidies schemes will constitute a material risk factor for the company operations in foreign countries.

Companies operating internationally are also subject to various risks including risks of war, terrorist activities, political, civil or labour disturbances and embargoes. The company currently operates in the Czech Republic and may decide to operate in other new European Union member countries including Slovakia, Slovenia, Hungary, Bulgaria and Romania as well as other emerging European countries. Operations in emerging European countries may present risks that are not encountered in countries with well-established economic and political systems, including:

- Economic instability, which could make it difficult for the Issuer to anticipate future business conditions in these markets, cause delay in projects that have been awarded to the Issuer and subject the Issuer to volatile markets;
- Political instability, which may make customers less willing to make investments in such regions, and complicate dealings with governments regarding permits, licenses and other regulatory matters;
- Boycotts and embargos that may be imposed by the international community on countries in which the company operates, which could affect the company ability to operate in such countries;
- The imposition of unexpected taxes or other payments on the company revenues in these markets; and
- The introduction of exchange controls and other restrictions by foreign governments.

In addition, the legal and regulatory systems of the emerging European markets identified above may be less developed and less well enforced than in more developed countries. The company ability to protect contractual and other legal rights in those regions may thus be limited compared to regions with more well established markets. The Issuer cannot offer any assurance that the company exposure to conditions in emerging European countries will not have a negative effect on its financial condition and results in operations.

11 Exchange rates

The following exchange rates were applied:

from	to	for Balance Sheet statement calculations	for Income Statement calculations
01.01.2012	31.3.2012	24,73	24,92
01.01.2013	31.3.2013	25,74	25,66

Source: Czech National Bank

Balance Sheet applicable exchange rate represents the exchange rate as of the last day of the month ending the relevant period.

Income Statement exchange rate represents the average of exchange rates effective on the last day of each month within the relevant period.

12 Management Board declaration

We hereby confirm that according to our best knowledge the information about BGS Energy Plus a.s. contained in this report is correct as of the publication of this document and that it fairly reflects the Company's financial situation and business activities.

Prague, 10 May 2013

13 Investors Relations contact

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